

REFERENCE TITLE: **regional transportation authorities**

State of Arizona
House of Representatives
Forty-eighth Legislature
Second Regular Session
2008

HB 2164

Introduced by
Representatives Prezelski, Farley: Thrasher

AN ACT

AMENDING SECTIONS 42-6106, 48-5301, 48-5302, 48-5303 AND 48-5308, ARIZONA REVISED STATUTES; RELATING TO REGIONAL TRANSPORTATION AUTHORITIES.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Section 42-6106, Arizona Revised Statutes, is amended to
3 read:

4 42-6106. County transportation excise tax

5 A. In a county ~~with a population exceeding four hundred thousand but~~
6 ~~fewer than one million two hundred thousand persons, IN WHICH A REGIONAL~~
7 ~~TRANSPORTATION AUTHORITY IS ESTABLISHED AND~~ if approved by the qualified
8 electors voting at a countywide election, the regional transportation
9 authority ~~in the county~~ shall levy and the department shall collect a
10 transportation excise tax up to the rate authorized by this section in
11 addition to all other taxes.

12 B. The tax shall be levied and collected:

13 1. At a rate of not more than ten per cent of the transaction
14 privilege tax rate prescribed by section 42-5010, subsection A in effect on
15 January 1, 1990:

16 (a) To each person engaging or continuing in the county in a business
17 taxed under chapter 5, article 1 of this title.

18 (b) Except that for the purposes of this paragraph with respect to the
19 prime contracting classification under section 42-5075, the gross proceeds of
20 sales or gross income that is deductible pursuant to section 42-5075,
21 subsection B, paragraph 8 or pursuant to section 42-5061, subsection A,
22 paragraph 27 for sales to a contractor who is exempt under section 42-5075,
23 subsection B, paragraph 8 shall be included in the tax base for purposes of
24 this paragraph.

25 2. In the case of persons subject to the tax imposed under section
26 42-5352, subsection A, at a rate of not more than .305 cents per gallon of
27 jet fuel sold.

28 3. On the use or consumption of electricity or natural gas by retail
29 electric or natural gas customers in the county who are subject to use tax
30 under section 42-5155, at a rate equal to the transaction privilege tax rate
31 under paragraph 1 applying to persons engaging or continuing in the county in
32 the utilities transaction privilege tax classification.

33 C. Any subsequent reduction in the transaction privilege tax rate
34 prescribed by chapter 5, article 1 of this title shall not reduce the tax
35 which is approved and collected as prescribed in this section. The
36 department shall collect the tax at a variable rate if the variable rate is
37 specified in the ballot proposition. The department shall collect the tax at
38 a modified rate if approved by a majority of the qualified electors voting.

39 D. The net revenues collected under this section shall be deposited in
40 the regional transportation fund pursuant to section 48-5307.

41 E. The tax shall be levied under this section beginning January 1 or
42 July 1, whichever date occurs first after approval by the voters, and may be
43 in effect for a period of not more than twenty years.

1 Sec. 2. Section 48-5301, Arizona Revised Statutes, is amended to read:

2 **48-5301. Definitions**

3 In this chapter, unless the context otherwise requires:

4 1. "Arterial street or highway" means a street or highway that is used
5 primarily for through traffic such that vehicular traffic from intersecting
6 streets and highways is required by law to stop or yield before entering or
7 crossing the street or highway.

8 2. "Authority" means a regional transportation authority organized
9 under this chapter.

10 3. "Board" means the board of directors of a regional transportation
11 authority established pursuant to section 48-5303.

12 4. "Controlled access highway" has the same meaning prescribed in
13 section 28-601.

14 ~~5. "County" means a county with a population of more than four hundred~~
15 ~~thousand but less than one million two hundred thousand persons.~~

16 ~~6.~~ 5. "Fiscal agent" means a bank or trust company authorized to do
17 business in this state or the county treasurer as designated by the board.

18 ~~7.~~ 6. "Municipality" means an incorporated city or town.

19 ~~8.~~ 7. "Population" means the population determined in the most recent
20 United States decennial census or the most recent special census as provided
21 in section 28-6532.

22 ~~9.~~ 8. "Public transportation" means local transportation of
23 passengers by means of a public conveyance, including para-transit.

24 Sec. 3. Section 48-5302, Arizona Revised Statutes, is amended to read:

25 **48-5302. Regional transportation authority; establishment**

26 A. A regional transportation authority is established in a county with
27 a population of more than four hundred thousand but less than one million two
28 hundred thousand persons. A REGIONAL TRANSPORTATION AUTHORITY MAY BE
29 ESTABLISHED IN ANY OTHER COUNTY THAT IS A MEMBER OF A REGIONAL COUNCIL OF
30 GOVERNMENTS.

31 B. An authority is a public, political, tax levying public improvement
32 and taxing subdivision of this state and a municipal corporation to the
33 extent of the powers and privileges conferred by this chapter or granted
34 generally by the constitution and statutes of this state, including immunity
35 of its property and the interest income and gain on its bonds from taxation.

36 C. The membership of the authority consists of each municipality in
37 the county, the county and any other members of the regional council of
38 governments. The authority may operate in all areas of the county in which
39 it is organized.

40 D. THE EXECUTIVE DIRECTOR OF THE AUTHORITY MUST RESIDE IN THE
41 GEOGRAPHICAL BOUNDARIES OF THE AUTHORITY. IF the executive director of the
42 regional council of governments ~~acts~~ RESIDES IN THE COUNTY, THE EXECUTIVE
43 DIRECTOR SHALL ACT as the executive director of the authority and ~~serves~~
44 SHALL SERVE in that specific role until replaced at the discretion of the
45 board of the regional council of governments. IF THE EXECUTIVE DIRECTOR OF

1 THE REGIONAL COUNCIL OF GOVERNMENTS DOES NOT RESIDE IN THE COUNTY, THE BOARD
2 OF DIRECTORS OF THE AUTHORITY SHALL APPOINT AN EXECUTIVE DIRECTOR OF THE
3 AUTHORITY TO SERVE IN THAT CAPACITY UNTIL AN EXECUTIVE DIRECTOR OF THE
4 REGIONAL COUNCIL OF GOVERNMENTS RESIDES IN THE COUNTY.

5 Sec. 4. Section 48-5303, Arizona Revised Statutes, is amended to read:

6 48-5303. Board of directors; executive director

7 A. The government of the authority is vested in a board of directors
8 composed of the members of the regional council of governments **WHO RESIDE IN**
9 **THE GEOGRAPHICAL BOUNDARIES OF THE AUTHORITY**, with one vote each when
10 determining transportation policy as the regional transportation authority.

11 B. The members of the board shall:

12 1. Appoint a chairman from among the members at the first official
13 meeting of the board.

14 2. By rule determine its officers, terms and procedures of
15 appointment.

16 Sec. 5. Section 48-5308, Arizona Revised Statutes, is amended to read:

17 48-5308. Distribution from regional transportation fund

18 A. All monies in the bond account of the regional transportation fund
19 shall be held in trust for the owners of the bonds. Monies in the bond
20 account:

21 1. Shall be paid out to paying agents or directly to the owners of the
22 bonds pursuant to the resolution or resolutions of the board authorizing the
23 issuance of the bonds.

24 2. May be used to pay bond related expenses or recurring expenses
25 pertaining to administration and payment of the bonds.

26 B. Monies in the bond proceeds account of the regional transportation
27 fund may be obligated or spent as directed by the board for the purposes
28 provided by subsection C of this section.

29 C. Except as provided in subsection D of this section, monies in the
30 construction account of the regional transportation fund shall be spent,
31 pledged or accumulated for the design, right-of-way purchase, construction,
32 operation, maintenance and contiguous open space preservation purchase
33 compatible with local environmental ordinance of, and within the expenditure
34 limits for, each element of the regional transportation plan.

35 D. Notwithstanding any other law, from the monies deposited in the
36 construction account of the regional transportation fund in each fiscal year,
37 the board shall distribute:

38 1. To each municipality, excluding the municipality that has the
39 largest population in the county, the greater amount of one per cent of the
40 revenues collected from the transportation excise tax authorized pursuant to
41 section 42-6106 or three hundred thousand dollars, to be used for purposes
42 consistent with subsection C of this section.

43 2. An amount of not more than three hundred thousand dollars to the
44 regional council of governments to hire professional planning, technical and
45 administrative staff required to accomplish plan development for the

1 authority pursuant to section 48-5309 and to perform the responsibilities as
2 the authority may require.

3 E. The three hundred thousand dollar distributions prescribed by
4 subsection D of this section are subject to:

5 1. Proration for any fiscal year in which a transportation excise tax
6 authorized pursuant to section 42-6106 is collected for less than a full
7 fiscal year.

8 2. Adjustment by the annual percentage change for the previous
9 calendar year in the GDP price deflator, as defined in section 41-563, for
10 each fiscal year after the first full fiscal year in which the transportation
11 excise tax is collected.

12 F. Beginning with the first fiscal year following voter approval of
13 the regional transportation plan, monies appropriated for each of the
14 following purposes, if approved by a majority of the qualified electors
15 voting at a special or general election, by each municipality or the county
16 in the authority shall not be less than the total amount of general monies
17 spent for those purposes in that municipality or county for fiscal year
18 2003-2004, OR THE FISCAL YEAR IMMEDIATELY PRECEDING THE APPROVAL OF THE
19 REGIONAL TRANSPORTATION PLAN, adjusted by the annual percentage change for
20 the previous calendar year in the GDP price deflator as defined in section
21 41-563:

22 1. Roadway improvements, including controlled access highways,
23 parkways and controlled access arterials, arterial upgrades and related grade
24 separations.

25 2. Transit improvements for buses, including expansion of the bus
26 fleet and its associated maintenance facility, expansion of express routes
27 and associated connecting terminals, ridesharing, van pool fleet acquisition,
28 including special projects for the handicapped and elderly, and park and ride
29 lots.

30 3. An express and light rail system.

31 4. Bicycle projects, including striped lanes on arterials,
32 neighborhood bike routes and planning of bikeways focused on major regional
33 activity center destinations.

34 5. Pedestrian projects on arterial and collector streets, neighborhood
35 walkways and walkways focused on major regional activity center destinations.